



TĀMAKI PAENGA HIRA

AUCKLAND WAR MEMORIAL MUSEUM

## MINUTES OF THE MEETING OF THE TRUST BOARD, OPEN AGENDA

Meeting held via Zoom video teleconference

Thursday, 20 August 2020

(Hōngongoi – Rāpare, 20 Ākuhata 2020)

8:30am-4:30pm

**Present (all via Zoom video teleconference):** O Atimalala (Chair), J Judge, Dr S Sandley, R Carlyon, B Palmer, M Binns, Prof. R Bedford, K Avery, M Mariassouce and P M Lua

**Apologies:** None

**In attendance:** Chief Executive, Director of Enterprise and Finance, Director of Public Experience, Governance and Compliance Manager and Lead Executive Assistant

Item No.	MINUTES
1.	<b>WELCOME AND KARAKIA</b> The Chair welcomed members and Mr M Mariassouce provided the karakia for the Trust Board.
2	<b>AGENDA OPENING</b> The Trust Board Chair opened the meeting and acknowledged J Brosnahan and S Sandley at their last formal Trust Board meeting before their end of terms. The Chair acknowledged their respective skilled leadership, energy and mahi during their tenures and thanked them on behalf of the Trust Board.  <b>2.1 Apologies</b> O Atimalala and M Mariassouce gave apologies in advance for early departures.  <b>2.2 Conflicts of Interest</b> No conflicts of interest were declared. Trust Board requested an update to the Interests Register to reflect the current Board positions.



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3.		<p><b>GOVERNANCE</b></p> <p><b>3.1 Minutes of the Previous Meeting</b> The Trust Board considered the Minutes of the Previous Meeting held on 18 June 2020. The Board requested a check of attendance as all members had been present at the meeting. Subject to that confirmation, the Trust Board accepted the Minutes as a true and accurate record for the meeting held on 18 June 2020.</p> <p><b>J Brosnahan / J Judge – All carried</b></p> <p><b>3.2 Matters Arising</b> The Trust Board reviewed the list of matters arising noting that some were to be addressed during the meeting agenda. It was noted that the Chair and Deputy Chair still were to discuss the term limit of Board members with RFA. It was discussed that this would be part of the wider governance discussions with RFA and Auckland Council that were upcoming.</p> <p>The Trust Board considered the action on consolidation of the smaller trusts and bequests and noted that this was being addressed by the Audit and Risk Committee.</p> <p>The Trust Board also noted that discussion on the Future Museum Strategy would be delayed following consideration of the impacts from various issues including the on-going impacts from the COVID-19 pandemic as well as Auckland Council’s Culture and Heritage Review (CHR) and resulting discussions with Auckland Council.</p>
4.		<p><b>ITEMS FOR DECISION</b></p> <p><b>4.1 Draft Annual Plan FY21/22</b> The Planning Committee Chair moved that the Trust Board approve the recommended changes to the DAP FY21/22 and the financial assumptions as discussed.</p> <p>J Brosnahan / K Avery – All Carried</p> <p><i><b>This point was subsequently clarified by the Trust Board out-of-session vote confirmed on 28 August 2020 when it was agreed that the DAP 21/22 financials be based on holding the levy at nil increase for FY 21/22 and projecting 2.5% increase from FY22/23. The Trust Board emphasised that this needed to be mentioned in the DAP FY21/22 narrative (as a projection), and not just included in the financial figures.</b></i></p> <p><b>4.2 Insurance Renewal</b> The Chair of the Audit and Risk Committee introduced the recommendation for renewal of the Museum insurance. The Director of Enterprise and Finance explained that the new insurance quote included an increase of \$75,000 in the premium due to the revaluation of the Museum building from \$382 million to \$457 million. The Committee had recommended an increase in the loss limit from \$192 million to \$220 million. The Committee Deputy Chair explained that the Museum building was considered in three parts and the loss limit was set to replace effectively 1/3 of the building. It was noted that Marsh Insurance had not been able to provide a quote for full building replacement</p>



	<p>as this required a number of additional providers. The Committee had considered that there were already a number of mitigation improvements (especially related to fire prevention) that had been undertaken.</p> <p>As a result, the Committee recommended the proposed insurance renewal be accepted with \$220 million loss limit, but noted that there was uncertainty about how much that would be able to fund. As a result, it had been suggested that an independent review be undertaken to assess the estimated building replacement cost, to help clarify what could be potentially be replaced with \$220 million. The Committee Chair also noted that the deductible was quite low at \$5,000 and suggested that this be increased to no more than \$50,000 in an effort to reduce the premium.</p> <ul style="list-style-type: none"><li>• <b>The Trust Board approved the recommendation from the Audit and Risk Committee to accept the insurance renewal as proposed by Marsh Insurance based on a \$220 million loss limit with a revision to the deductible no more than \$50,000, and noting that a mid-term review of the insurance would take place following the re-valuation of the building on completion of the Phase 1 works and an independent assessment of the rebuild rates for the building.</b></li></ul> <p><b>B Palmer / M Binns – All carried</b></p>
<b>4.3</b>	<p><b>ICT Core Infrastructure Replacement</b></p> <p>The Director of Public Experience introduced the recommendation made to the Audit and Risk Committee regarding the proposed replacement of the ICT core infrastructure. It was explained that this project sought to replace the Museum’s aging and fragmented infrastructure that was unable to support current requirements. The Committee had agreed with the proposal but had requested that the provision of a third storage site outside the greater Auckland region be costed in order to ensure redundancy. The Deputy Chair of the Audit and Risk Committee also explained that the cost of the project was \$2.5 million spread over five years and the Committee recommended a contract be pursued with the preferred supplier, Lexel, as proposed.</p> <ul style="list-style-type: none"><li>• <b>The Trust Board agreed for the Museum to enter into negotiations with the preferred supplier Lexel on the planned replacement of ICT core infrastructure as proposed, noting concerns about the establishment of a third storage site to be located outside the greater Auckland region.</b></li></ul> <p><b>B Palmer / R Bedford – All Carried</b></p>
<b>4.4</b>	<p><b>AMI Fund Drawdown Request</b></p> <p>The Director of Enterprise and Finance recommended and the Chair moved for the Trust Board to approve the proposed transfer of \$14,000 from the AMI Life Members Fund for FY20/21 as requested by AMI.</p> <ul style="list-style-type: none"><li>• <b>The Trust Board agreed to the requested transfer of \$14,000 from the AMI Life Members Fund to AMI as requested.</b></li></ul> <p><b>J Judge / R Carlyon – All Carried</b></p>



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<b>5.</b>		<p><b>ITEMS TO RECEIVE</b></p> <p><b>5.1 Compliance Report (1 January – 30 June 2020)</b> The Trust Board received the Legislative Compliance Report for the period 1 January – 30 June 2020, noting the only outstanding issue related to the on-going remediation of holiday pay based on the Holidays Act which was being addressed and mitigated.</p> <p><b>5.2 Trusts, Bequests and Reserves Report (1 January - 30 June 2020)</b> The Trust Board received and noted the Trusts, Bequests and Reserves Report of 30 June 2020. The Audit and Risk Committee noted that funds allocated from the Edward Earle Vaile Trust during the reporting period 1 January – 30 June 2020 had exceeded the previously approved amount. The Committee recommended that the Trust Board approve the additional spend of \$2,775 from the Edward Earle Vaile Trust (AM2) over the previously agreed amount of \$80,000 for archaeological purposes. The Committee also emphasised that any overspends required approval by the Trust Board.</p> <ul style="list-style-type: none"><li>• <b>The Trust Board agreed to the additional spend of \$2,775 from the Edward Earle Vaile Trust (AM2) over the previously agreed amount of \$80,000 for archaeological purposes.</b></li></ul> <p><b>B Palmer / R Carlyon – All carried</b></p> <p><b>5.3 Financial and Visitation Reports</b> The Trust Board received and noted the finance and visitation reports, expressing that the dashboard reporting needed improvement.</p> <p><b>5.4 Health and Safety Reports (June/July 2020)</b> The Trust Board received and noted the health and safety reports.</p>
<b>6.</b>		<p><b>COMMITTEE REPORTS</b></p> <p><b>6.1 Executive and Governance Committee – Dr S Sandley</b> The Committee Chair reported that the Executive and Governance Committee had reviewed the Chief Executive’s Success Agreement for the previous year 19/20 and considered the upcoming year 20/21 during its meeting. The Committee had also discussed the request from the Taumata regarding the approach to iwi for three additional members. The Committee had recommended that there needed to be further discussion between the Taumata Chair and the IMSB, as well as between the Taumata and the Trust Board before the approach to iwi for nominations. It was discussed that the issue of co-governance and constitution of the Taumata had been raised by the IMSB during the recent Council meeting on the Annual Plan 20/21.</p> <p><b>6.2 Development Committee – Dr S Sandley</b> The Committee Chair reported that the Committee had reviewed the proposed agenda for upcoming events related to the reveal of the South Atrium spaces, and noted that provisions should be made if these events were to occur under Level 3 conditions. The Committee had also discussed possible names for co-opted members. One name had been agreed and would be approached by the Committee before making</p>



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	<p>recommendation to the Trust Board. The Committee had also expressed the need for a clearer strategy on Museum fundraising and membership.</p>
<b>6.3</b>	<p><b>Audit and Risk Committee – B Palmer</b></p> <p>The acting Committee Chair noted that most of the main agenda items from the Audit and Risk Committee had already been considered by the Trust Board, including the ICT Infrastructure Replacement and Insurance Renewal. The Committee had also proposed creating a working group to progress the reworking of the Risk Management Framework. The Committee had received a report on the Holiday Pay Remediation from EY and approved the recommendation for EY and the Museum to approach MBIE for endorsement of the estimates for remediation. In addition, the Committee had considered and approved the Estimates and Judgments for Annual Accounts, and this would be coming to the Trust Board with the FY19/20 accounts final sign-off.</p>
<b>6.4</b>	<p><b>Future Museum Capital Programme Committee (FMCC) – M Binns</b></p> <p>The FMCC Chair reported that works programme was progressing well and that the recent level 2.5 and 3 restrictions had not made a huge impact. He mentioned that the contingency fund was down and the FMCC was keeping a close eye on ensuring the works programme stayed within the allocated contingency. The Chair reported progress on South Atrium areas was going well and there was confidence it would be ready for the Reveal. He noted that there was still some concern about the Australian contractors travelling to Auckland for fit-out of the showcases, but this was part of the new galleries which were not due to open until early 2021 so there was less time pressure.</p> <p>The FMCC Chair confirmed that the Committee had agreed and signed the letter of intent with Aspec on the TP6 project totalling \$2.92 million. He noted that this had already been agreed by the Trust Board as part of the overall Phase 1 programme of works, but it was now going to contract with Aspec.</p>



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<b>7.</b>		<p><b>PARTNER REPORTS</b></p> <p><b>7.1 Taumata-ā-Iwi Report (verbal report)</b> M Mariassouce reported that the Taumata had reviewed the DAP 21/22 at its previous hui and provided feedback. He also noted that the Taumata discussed how the DAP should amplify He Ara Whaowhia in the strategic planning. He explained that the relationship between the DAP and He Ara Whaowhia should be an iterative process developing over time, and that this would give expression to the Taumata’s desire to be more proactive in driving the bicultural dimension.</p> <p><b>7.2 AMI Report – J McIntyre</b> J McIntyre provided the AMI President’s Report and thanked the Trust Board for approving the AMI Life Members Fund drawdown. He explained that the AMI SGM had been postponed to a date TBC in September to ensure the launch of the new Museum Membership programme in October. The AMI President noted that the AMI lectures had been cancelled under the COVID 19 restrictions in Auckland and the Rutherford medals were having to be rescheduled which was regrettable. He emphasised that AMI was eager to work with the Museum Development Team to discuss a strategy for allocation of the AMF funds. The report was taken as read.</p> <p><b>7.3 Pacific Advisory Group (PAG) – P M Lau</b> The PAG Chair noted that a written update had been produced but would be circulated out of session. He noted that PAG had farewelled departing Chair S Kailahi on 16 July, and a new Deputy Chair had been appointed. The Pacific Communities Engagement Plan had been well-received by PAG as was the Museum’s continued support of language weeks. The PAG had also discussed the upcoming opening of the new spaces in the South Atrium and the PAG would be leading a kava ceremony as part of the opening events.</p>
<b>8.</b>		<p><b>ANY OTHER BUSINESS</b></p> <p>The AMI President requested further information about the CCO and Culture and Heritage Reviews in relation to the Museum. The Chair noted that the Trust Board had discussed this in depth and the CE would contact the AMI President and provide a briefing on the situation.</p>
<b>9.</b>		<p><b>MEETING CLOSE</b></p> <p>The Chair thanked all attendees and closed the meeting at 3:30pm.</p>